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PRESS BRIEFING BY SECRETARY OF ENERGY STEVEN CHU AND DEPUTY NATIONAL SECURITY ADVISOR FOR STRATEGIC COMMUNICATIONS DENIS McDONOUGH ON THE SECOND AND THIRD PLENARY SESSIONS OF THE SUMMIT OF THE AMERICAS

Crowne Plaza Hotel Port of Spain, Trinidad and Tobago

6:59 P.M. EDT

SECRETARY CHU: So I didn't -- first, I'm glad to be here. I didn't expect that the off-camera part -- first, it's not my decision, but I'll do it. And so I'll have to have a discussion as to why I'm not considered physically presentable. But never mind. (Laughter.)

I just wanted to say that, from the impressions I've been getting in this meeting, I think it's been going very well. As you well noted, the President has brought many of this top senior leaders in his team together that signifies the importance he puts on this summit meeting.

In terms of energy, I want to reiterate that the problems this Western Hemisphere faces in terms of energy and climate change are problems that are very serious, that this is a new administration that has definitely -- taking the United States in a different direction, that we regard the energy and climate change problems as something that we in the Western Hemisphere, indeed we in the world, have to face together.

There are other issues that have been discussed at this conference. Since I'm, you know, I'm the Energy Secretary, I'll confine my remarks mostly to that. But I think there -- my feeling is that there is this new mood, that we've come here with an outreach and open hand to start a new chapter in the relationships with the Americas.

So I'm very optimistic, the President is very optimistic that good things come of this. We've announced today that we would like to establish a framework, an energy framework, and a climate change framework. Previous to this meeting, the day before, the President and his group were in Mexico where it was announced -- a similar energy framework was announced in Mexico to cooperate on energy and climate change issues.

We have ongoing relationships with Mexico on some programs, mutual cooperation, both on energy efficiency and the development of new sources of energy. We are entering discussions with Chile; we have entered into agreements and mutual help with Brazil on biofuels and, in particular, for us fourth-generation biofuels using lignocellulose and converting it to not only ethanol but fuels beyond ethanol.

So there are many things that are starting. And again, we are very hopeful that many countries in the Western Hemisphere will join in this energy and climate change framework.

Do you want to, before I turn it over for questions --

MR. McDONOUGH: Sure. I'll just say a couple things. Mr. Secretary, thank you very much. Forgive the association of your good looks with the rest of ours lack of the same.

The President just wrapped up the third plenary. It was a very good discussion. It was basically a wide-ranging discussion on democratic governance. It included interventions from six or eight heads of state or heads of government from the region, each of whom outlined their views of -- principally of the challenges facing the hemisphere but also their hopes as it relates to U.S. relations with the hemisphere.

Notwithstanding the speaker and the ideological predisposition of each speaker, there was, I think it's fair to say, uniform enthusiasm for what Secretary Chu outlined, which is the open hand and openness with which President Obama and his team of very senior officials came to town to represent. The President did not speak or did not intercede in this particular session, but took copious notes and commented afterwards that he appreciated the free flow of conversation and communication very much.

Over lunch, as we suggested to some of you yesterday, the President was looking for an opportunity to meet one on one with several leaders in the hemisphere. So over lunch he asked to be seated next to President Uribe of Colombia and President Garcia of Peru -- had very productive discussions with both. Robert gave you a little bit of a sense earlier today of what the President is doing on the free trade agreement and Ambassador Kirk was of course a topic of considerable discussion with President Uribe.

And he is going to -- he has requested to be seated with President Preval of Haiti and President Bachalet of Chile at tonight's supper. We'll look forward to discussing a range of bilateral and regional issues with them, as well.

That's all I have.

SECRETARY CHU: Before you start questions, I forgot to mention something. I just wanted to repeat what the President said in the plenary session on energy. The first thing he said is that the lowest-hanging fruit in decreasing the carbon footprint of the world is to emphasize energy efficiency; that, using the example of the refrigerators in the United States, due to increasing standards, the refrigerators have increased their energy efficiency four times -- fourfold, so that the average refrigerator in the United States today uses four times less energy

than it did in 1975, even though the average size went up; that it doesn't cost more money. In fact, the inflation-adjusted price of refrigerators went down by a factor of two, because the better insulation meant you could build a smaller compressor, which is the most costly part of the refrigerator; that the amount of energy saved in refrigerators in the United States is significant. The energy saved, had we been using the 1974 standard refrigerators today, we're now saving more energy than all of the renewable energy in wind, solar, thermal, photovoltaic generation in the U.S. today. Over 3 percent of the energy in the United States is saved in refrigerators alone.

He went on to say that building efficiency is the next big challenge; that one could reduce the electricity costs in buildings by as much as 40 percent. It would mean that the United States can go on and dramatically decrease the use of energy and save a lot of money; that energy efficiency, that kind of energy efficiency, is something the United States is going to strive very hard to achieve; that we will be working to help and discuss and compare notes with everybody; that energy efficiency will benefit anyone in the Americas.

Consider if you're an oil and gas exporting country. The oil and gas you can sell abroad will bring in hard cash, that it increase the prosperity, that that energy you save in your own country means you can sell more abroad.

And so there -- energy efficiency and conservation will help everybody and dramatically decrease the carbon footprint. This is one of the things that's very, very important.

Going beyond that, the development of new sources of energy, the United States is looking forward to working with as many people as possible, not only -- especially in the Americas, but over the world -- in developing new sources of clean energy; that this is something that -- the impacts of climate change, as the world goes forward, we learn more about what has happened and what is happening and what will happen is becoming more frightening each succeeding year; that the irony of these climate change scenarios and predictions is that, in many instances, the poorest countries all suffer who -- countries that had very little to do with the predicament we're in will suffer disproportionately, and the United States is aware of that, sensitive to that, and now is -- wants to show some leadership in this respect. And also, going forward, that this is something that, again, it's not only the poorer peoples of the world that will suffer disproportionately, but going forward to our children and their children, they will suffer disproportionately.

So the irony is that the most innocent parts of our population are the ones that will bear what we're doing today. And this message is something that the entire world has to take note of.

And so the President feels very strongly that this climate change issue, wrapped up with the energy issue, wrapped up with all these things, is a very important part of his agenda.

MR. HAMMER: Laura.

Q I have two questions. The first is, in your discussions about energy, did the question of the tariff on Brazilian ethanol come up? Is that something that was addressed in any forum? And has the position changed at all on that?

And let me just get my second question out, which may be for Denis, which is, during the conversations with President Uribe at lunch, did they come -- make any progress on the issue of the free trade issue or the labor questions or was it a more general conversation?

SECRETARY CHU: I'm going to be meeting with the Brazilian representative tomorrow, so our answer to your question is it's not come up, but let me also say that the U.S. and Brazil are working together going forward on many things having to do with biofuels. I think the United States, and particularly the Department of Energy, is investing a great deal in developing new methods of converting lignocelluose into biofuels -- not only ethanol, but into gasoline- and diesel-like fuels that can be blended at any ratio.

And so this technology we want to make available to the world. I mean, it will benefit Brazil as well because of their bagasse. And so it's something that has great promise to many countries around the world. If you can use lumber wastes, if you can use agriculture wastes like wheat straw, rice straw, corn stover, bagasse and convert it into a diesel-like fuel, a jet plane-like fuel, a gasoline-like fuel, this will help a lot of countries' problems. Many countries are spending a considerable amount of their income on transportation fuel.

And this is not completely a dream. Already the Department of Energy laboratories have developed a yeast and bacteria that actually takes simple sugars and turn them into gasoline- and diesel-like fuels today. So it's not practical, but in six months of research that was already done. And so maybe in several years we can hope that we can begin to test and pilot this.

MR. McDONOUGH: Laura, let me just preface my comments by saying that I think you see why, given both the expertise that Secretary Chu has, as well as just what he elucidated, in terms of the impact of climate on those least responsible for the situation -- is one of the reasons the President has expanded the National Security Council to include the Department of Energy and the Secretary of Energy on it. And it's one of the reasons the President invited Secretary Chu on the trip. And it's also one of the reasons the President is so excited to have him on the National Security Council.

As it relates to Colombia, I think I would characterize the President when he -- it was just the three leaders; none of us were in there with him, so I debriefed with him. And I would describe his characterization of the discussion as fruitful. I can't elucidate any particular progress on it except I think it would be worth your while if you want to write the story or you want more on this to ask the Colombians their view of it. I think it's -- I think they would have a not dissimilar view of the conversation.

MR. HAMMER: Scott.

Q Two questions, I think one for Secretary Chu and one for Denis. Mr. Secretary, in your discussions about climate change and the seriousness of it, are you getting any -- does anyone disagree with your assessment of it? I'm thinking of an oil-exporting country, an OPEC member like Venezuela. Are they raising concerns that maybe -- that the characterization of just how grave this is is wrong?

And just for Denis, why didn't the President speak in the plenary session on the -- on democracy? Was it just he wasn't invited to? You have, you know, questions about Chavez's tactics against the opposition, Daniel Ortega's, as well, and a democratic movement of secession in Bolivia. And I wonder if that was part of the discussion and why did the President want to join that?

SECRETARY CHU: Well, I had no discussions in this summit meeting on the issue as to whether the climate is really changing or what are potential economic consequences. Now, in full candor, I haven't talked with representatives from Venezuela yet, but I think they're -- in terms of discussing whether the climate is changing or whether humans have caused it, I think for the most part this debate is over. It's something -- yes, it's changing; that's a demonstrable fact. If one looks at the latest IPCC reports, there's very, very convincing evidence -- very high probability it was caused predominantly by greenhouse gas emissions. And what is not known with certainty is what are the range of effects that might happen, and -- because that, quite frankly, also depends on what the world does.

But let me just say that there are certainly a reasonable probability that -- I'm sure the people in this room have heard this -- that in the last IPCC report, the 2007 report, they said that it's going to be somewhere between two and four -- two and a half, four and a half -- I'm not sure of the exact numbers -- degrees Centigrade change.

And so let me remind you that the Earth has already warmed up by about 0.8 degrees Centigrade; that the experts acknowledge that there is another 1 degree Centigrade already built into the system, even if humans stopped carbon emissions today flat. That's because we put enough greenhouse gases up into the atmosphere, the sun continues to warm up the Earth, and until you reach a new equilibrium or the heat from the Earth then reaches the equilibrium -- what's coming in and what's getting reflected back -- there's 1 degree change already; that there's a reasonable probability we can go above 4 degrees Centigrade to 5 and 6 more. That means we have a -- there's a reasonable probability, and certainly in business-as-usual scenario, we can go to 5 or 6 degrees Centigrade.

Now, what does that mean? The last ice age, we were 6 degrees Centigrade colder than we are today -- a very different world. Okay, only 6 degrees Centigrade means, in North America, ice sheet from Canada down to Pennsylvania, Ohio -- year round in ice. So imagine a world 6 degrees warmer. It's not going to recognize geographical boundaries. It's not going to recognize anything. So agriculture regions today will be wiped out. Yes, there are parts of Canada will be -- can grow more food, but, you know, the other thing is, the Earth is spherical and the sun hits at an angle up north. So there are going to be huge consequences if we go up to that 4, 5, 6 degrees.

Q How long would it take?

SECRETARY CHU: We're talking about that temperature in -- by the end of this century. And the other thing is, you stick that carbon in the atmosphere, it cycles around, but it's up there for a couple hundred years. Okay, so you've just bought a couple hundred years of this

effect. So -- and that could have dramatic consequences on the world, but especially the more vulnerable people in the world.

Q Secretary Chu, so did any of the leaders, especially from this part of the world, talk about the specific concerns about rising ocean levels?

SECRETARY CHU: Yes, very much so. I think the Caribbean countries face rising oceans and they face increase in the severity of hurricanes. This is something that is very, very scary to all of us; that if you consider what has been happening, especially in the polar regions in the north, and you look at the predictions of the IPCC beginning in 1990, this is something they didn't do so well. It's melting considerably faster than anyone predicted ten years ago.

So we are terribly afraid there will be an increase in temperature if the ice in the Antarctica and Greenland melt. This is bad news. If Greenland melts -- it's two or three kilometers thick -- we're looking at a seven-meter sea level rise around the world. Some island states will disappear.

So there was specific -- at the lunch today, there was specific discussion represented from the island states that this is of great concern, and the island states in the world represent -- I remember this number -- one-half of 1 percent of the carbon emissions in the world. And they will -- some of them will disappear. So this is pretty serious business.

Q Secretary Chu --

MR. McDONOUGH: Let me just -- let me just go back and I'll ask -- answer Scott's second question. The President, I think as you've heard him say before, thinks it's very important that he listen, and he took that opportunity today in the third plenary; he had been heard in the first and second plenaries. He also -- just a reminder, Scott, that he had a meeting this morning with UNASUR and had an opportunity to obviously hear but also to be heard on these issues at that time.

Q Just following up on that last question that he had, just -- what about U.S. shorelines, though? You're talking about some of these island states may disappear and sea levels may rise drastically, but then what about the U.S. shorelines and what are you doing as a precaution to try to stave that off other than just building it up with sand?

SECRETARY CHU: Well, if -- in certain scenarios, one could see as much as -- well, the official -- let me state what the official IPCC prediction is: It could go up as much as three-quarters of a meter in this century, but there is a reasonable probability it could be much higher than that.

And if you go up three meters, for example -- even if you go up one meter, a lot of the seashore land -- Florida, around Louisiana, New Orleans -- three meters, much, much -- there will be lots of newly defined beachfront property. Lots of area in Florida will go under. New Orleans at three-meter height is in great peril -- you just don't build bigger dikes, something like that.

So the United States will certainly -- if you look at, you know, the Bay Area, where I came from, all three airports would be under water -- three meter high.

So this is -- this is serious stuff. There's -- the impacts could be enormous.

And so what -- what is at issue here is you can look at the average prediction of what might happen, but then there is also, let's say somewhere out on the wing with a 25 percent probability, a 10 percent probability, you can enter what we call, what the scientists call a tipping point.

Let me give you one example. If the tundra warms up, as it's warming up -- and we actually see this -- as the tundra warms up, there's a lot of carbon that's been accumulating for millennia in the frozen tundra. This is in Siberia; this is in Canada, Greenland. There's a lot of vegetation. It grows very slowly but when it falls down it doesn't rot. In the Brazilian rain forest, the microbes actually recycle the vegetation very quickly. They turn it back into carbon dioxide, methane, and up it goes and it just cycles around.

The tundra has been slowly, over thousands -- millions of years been accumulating carbon. If the tundra thaws, those microbes wake up. They begin to digest that carbon and begin to release it. And so it's a very sudden tipping point, because it's just -- the analogy is you have this experienced in your own refrigerator. You have a piece of meat; it's in the refrigerator, can last for three or four days. You put it in the freezer, it can last a long, long time. Why? The microbes aren't as active. And it's just a few degrees difference. Means they wake up.

So what has come to pass in the last five years is there's a deeper-growing concern that if these microbes wake up, they begin to release carbon at a rate that could exceed all of human emissions, which means it's out of our control. And there could be more carbon in the tundra than is in the atmosphere today.

So that's the tipping point. How much do you -- how close do you want to get to that? Do you want to say, we're willing to gamble; there's only a 50 percent chance that will happen? And when we -- oh, by the way, when that happens, don't see three meters. See much -- see deserts all over the place.

So see -- ice age, us, us to a new world. So that's a tipping point. So that well exceeds anything in the IPCC report.

Now, why didn't they include this in the IPCC report? Because it was considered, well, we didn't know enough to be really sure, so we'll just say, yes, it's a concern -- and there's a few paragraphs in there, but it's not folded into their official predictions.

Q Secretary Chu, if --

Q Can I ask a question of Denis, is that okay? No offense, Secretary Chu. President Chavez put out a statement today saying that he was reconsidering -- he was considering sending

an ambassador back to Washington; he had talked to Secretary Clinton and there was going to be talks. I was wondering if you knew any of this or could elaborate on any of it, maybe Dan?

MR. McDONOUGH: I don't think -- do you know? I don't, but we'll get somebody.

Q Okay, thanks. Sorry, can I follow up on the democracy aspect? Did anybody else -- I know that President Obama didn't speak during plenary three, as you said -- I'm taking your word for it -- did anybody else speak up on --

MR. McDONOUGH: I hope you have no reason not to. (Laughter.)

- Q Did any other countries at all say anything, hint at Venezuela, hint at Chavez, that they were concerned about the state of democracy in that country?
- MR. McDONOUGH: Boy, you know, we're careful to not characterize other people's comments, in keeping with tradition. But I think it's fair to say that -- I think as the President did in his opening remarks last night, I think there's a deep appreciation throughout the hemisphere of the recognition that elections are very important to democracy, but that's not the only indicator thereof. The President talked last night about corruption, talked about capable police forces, talked about judiciary and the rule of law.

So I think it's fair to say that that was a strongly held view among a lot of people.

- Q Did other countries step up and say something, you know, sort of hint at sort of disappointment with what's going on or nervousness at what's going on in Venezuela or Bolivia?
- MR. McDONOUGH: Again, I don't want to characterize anybody as singling out any other particular country. I think everybody talked about their view of governance and what are the important aspects thereto.
 - Q Did Venezuela in particular come up?
- MR. McDONOUGH: The President of Venezuela spoke during the session. So Venezuela did come up.
 - Q Did that become the session? Is that why President Obama didn't speak?
- MR. McDONOUGH: It did not become the session and it's not the reason President Obama didn't speak. As I suggested to Scott, President Obama thought it was very important to listen in this plenary, but he has obviously -- as with his opening remarks last night -- been very clear what his views are on this issue.
 - Q No other countries, or you just won't say that?

MR. McDONOUGH: The answer is still the same. (Laughter.)

- Q Yes, Denis, still on Cuba, coming into this Chavez and some of the others were insisting there have got to be changes, we've got to talk about lifting the embargo in the final summit communiqué. Are there going to be any changes or is that going to be exactly as it was negotiated all along, as you said?
- MR. McDONOUGH: I don't anticipate any further changes in the communiqué. I haven't seen the most recent draft -- I don't know if Dan has. I think it's fair to say that there's a disagreement on Cuba and the President was clear on that.
- Q Secretary Chu, two questions. First, after the description you've just laid out about the scary scenario of global warming, do you believe that the U.S. proposal for Copenhagen to reduce greenhouse gases back to 1990 levels by 2020 is enough?

And secondly, can you discuss what exactly an energy framework means in the context of this summit?

SECRETARY CHU: Sure. Well, there are two parts of the proposal. The President -- the first step is what you just described. The second step is to reduce carbon emissions by 80 percent by 2050. I think if you get on that target I think this gets us further away from getting close to a tipping point. So it's the overall thing of what we want to do both in the short and near term in 2020, but also by 2050 -- 80 percent is very significant.

Q That's not what the environmentalists say -- or what the Europeans say.

SECRETARY CHU: Well, I think the -- correct me if I'm wrong, but I think the Europeans, 2020, would like to see a more aggressive stand. I agree with you that they want to see that.

I think it's something that's under discussion. This is -- as you well know, the United States operates with a President and a Congress and we have to agree on that --

Q But do you think it's enough? Do you think that target is good for 2020? Or as a scientist would you like to see the U.S. go further?

SECRETARY CHU: I think that rather than debating a few percent, the best thing we can do is to get started as soon as possible. And let me also say that I think -- in these scenarios you can say, this is where we're going to go. But the other thing I need to remind everybody is that the Department of Energy, science and technology in general will be needed and called upon to provide the world with the solutions to get us to these 2050 targets. I think the 2020 targets, most of that is going to be done by energy efficiency, conservation type of things. To go to the very aggressive targets of 80 percent and more by 2050, it would be nice to have better choices; that in the past science has given us very much better choices than we thought were possible. And I think that that is part of why I'm here, as well.

Q I'd still like to know if you think the U.S. should be more aggressive.

MR. HAMMER: Why don't you talk about the framework -- Jeff's other question.

SECRETARY CHU: Okay, the other question is the framework. What we are looking for is actually -- we don't have a hard and fast idea of what the framework should be. In fact, this is a reason to reach out. I mean, it doesn't do us any good to say this is what the United States thinks the framework should be; this is meant in the spirit of collaboration to say, okay, how is it that we can mutually develop a framework not dictated by the United States but done in collaboration with the other partners. And so this is a beginning -- this is what we'd like to have happen.

Q Mr. Secretary, a couple questions. Was there any sense that you received from the leaders here that the United States needed to do more, and more rapidly, on greenhouse gases because of its sizable greenhouse gas emission footprint? That's question one. Question two: In this global economic recession, was there any dialogue about potential economic disruptions from trying to reduce greenhouse gases, either through higher energy taxes or some other means? I know those are sort of different views of it, but I wonder if either were expressed.

SECRETARY CHU: Well, yes, I mean, there's a -- this is something that is always in the air and in people's mind -- is this the time to be thinking about climate change and something that will happen 30, 50, 80 years from now, given the worldwide global -- the global recession. But there's also a recognition that, yes, we are in tremendous strains today, but you have to start working on this today, as well.

In terms of -- let me see, so you asked about the -- you know, is this the time to start doing it -- what was the other part of your question?

Q Did the leaders here express a desire for the U.S. to do things more aggressively, considering its substantial contribution?

SECRETARY CHU: I would say most of the feeling I was getting was that the United States has reentered the dialogue on addressing in a serious way climate change and they're looking to the United States to exercise leadership in this now. As you all know, we have not been in the past and so it's really the recognition that this is a -- decidedly a different and new and a positive direction.

- Q Denis, when the President relayed the conversation with Uribe earlier today, did he talk at all about -- Uribe today said that the President said the next time he visits Latin America he'll go to Colombia and Uribe said that he'd be coming to the White House to talk about the Colombian free trade deal. And I'm wondering if you could elaborate on that. And also, today Chavez said that he has no doubt that there will be going forward greater closeness between Venezuela and the United States, and I was wondering if the U.S. shares the same view?
- MR. McDONOUGH: As it relates to the conversation with President Uribe, I can confirm that the President did say that on his next trip to Latin America he'd like to go to Colombia. I can also tell you that he did invite President Uribe to Washington. We don't have a

date for that, but he does look forward to continuing a conversation and the relationship that he has built with President Uribe.

As it relates to the quote that you just read, I only heard it now the first time, I would just mention what I said earlier today when I had the good fortune to be with you all, which is that the President believes that, you know, pictures and smiles and handshakes are important, but not nearly the test that we will need to see whether -- to determine whether this in fact is a new era or a new opportunity for better relations. There will be more significant tests of that in the days and weeks and months ahead, and the President looks forward to following that very closely.

MR. HAMMER: Thank you very much. Just on a programming note, I know everybody would be very excited if Dan would now do it in Spanish, but we'll forgo that today. (Laughter.) In terms of further readouts, the President is attending a dinner tonight but we will read that out tomorrow morning. And thank you very much for being with us.

END 7:35 P.M. EDT